

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
NORFOLK DIVISION**

In re:	Case No.	Chapter
Steven D. Foreman	13-70008-FJS	13
Brian and Lisa Winfield	13-70103-FJS	13
Armee C. Hardy	13-70132-SCS	13
Bruce and Beatrice Wingate	13-70243-FJS	13
Erica A. Linzy	13-70274-SCS	13
Robert J. Richardson	13-70337-FJS	7
Jason and Nicole Karangelen	13-70377-SCS	7
Robert and Linda Dievert	13-70431-SCS	13
Archibald and Teresa McDowell	13-70500-FJS	7
Gary L. Insley	13-70503-SCS	7
Shawn L. Mosley	13-70532-SCS	13
Barry D. Harrell	13-70644-SCS	7
Bernard H. Johnson	13-70826-SCS	13
Robin G. Hodges	13-70967-SCS	13
Shawn J. Daigle	13-71036-FJS	7
Ronald Bishop	13-71169-SCS	13
Larry and Amy Johnston	13-71233-SCS	7
Evelyn Woodard	13-71234-SCS	7
Angela P. Hambright	13-71368-FJS	7
Jimmie and Peggy Reid	13-71370-FJS	7
John N. Newbern	13-71418-SCS	13
Ronald L. Hill	13-71572-SCS	13
Winston D. Nelson	13-71575-SCS	13
Nova P. Jones	13-71624-FJS	7
Selena S. Diggs	13-71746-FJS	13
Dyan B. Martinez	13-71771-FJS	7
Paul and Bonnie Hanrahan	13-71788-SCS	13
Andrew L. Bull	13-71789-FJS	13
Autumn L. Davis	13-71809-FJS	7
Robert L. Barnes	13-71911-FJS	13
Frank A. Guagenti	13-72014-SCS	13
Kimberly Tykot	13-72015-FJS	13
Paulette Ryans	13-72095-SCS	13

Anne K. Fiorenza, Esq., Acting AUST
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Office of the United States Trustee
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David and Vanessa Barrett	13-72191-FJS	13
Margaret A. Angulo	13-72305-SCS	7
Charlie White and Sarah Burt- White	13-72375-SCS	7
Eric and Kimberly Moore	13-72498-SCS	7
Michael A. Butts	13-72538-SCS	13
Marcy L. Alvarado	13-72572-FJS	7
Erica A. Linzy	13-72718-SCS	13
Jamel Sr. Johnson	13-72813-FJS	13
Stephen W. Hoots	13-72820-SCS	13
Erica D. Hamberry	13-72927-SCS	7
Valerie King	13-72928-FJS	7
Ronald C. Foreman	13-73063-SCS	13
Jana L. O'Grady	13-73073-FJS	7
Lawrence and Heather Crutchfield	13-73383-FJS	13
Brian and Lisa Winfield	13-73410-SCS	13
Harold Locklear	13-73515-FJS	13
Susan H. Barnes	13-73516-SCS	13
Natalee D. Blount	13-73518-SCS	13
Kenneth L. Huddle	13-73562-SCS	13
Panagiotis A. Dukas	13-73593-SCS	13
Alice Tappe	13-73756-FJS	13
Robert and Linda Dievart	13-74174-SCS	13
Ronnie A. Saunders	13-74175-FJS	13
Frank A. Guagenti	13-74264-SCS	13
John G. Conner	13-74650-FJS	13
Kimberly A. Woodard	14-70221-FJS	13
Valjean Ware	14-70371-FJS	13
Robert T. Cillizza	14-70372-SCS	13
Ashley T. Moore	14-70482-SCS	7
Anita M. Everett	14-70483-FJS	7
Cherika S. Mackey	14-70637-FJS	7
Harold Locklear	14-70681-SCS	13
Jeffrey and Sheila Weeks	14-70682-SCS	13
Isabel J. Escobar	14-70761-FJS	13
Generoso and Carol Franco	14-70762-SCS	7
Donita R. Sargent	14-70799-FJS	7
Dustin E. Bell	14-70800-SCS	7
Suzanne M. Parson-Janrhatt	14-70948-FJS	7
Thomas Healy and Katherine McKee-Healy	14-71016-SCS	7

MOTION FOR SANCTIONS AGAINST JAMES R. CARPENTER, JR., ESQ.

Judy A. Robbins, U. S. Trustee for Region Four, by counsel, pursuant to Fed. R. Bankr. P. 9011, 11 U.S.C §105(a) and its inherent powers, requests the Court sanction debtor's attorney James R. Carpenter, Jr., Esq., for the reasons set forth below.

1. The United States Trustee for Region Four, which includes the Eastern District of Virginia, is charged, pursuant to 28 U. S. C. § 586(a)(3) with monitoring and supervising the administration of cases commenced under Chapters 7, 11, 12, and 13 of the Bankruptcy Code.

2. 11 U.S.C. § 307 provides that the United States Trustee may appear and be heard on any issue in any case. Fed. R. Bankr. P. 9014 and 9020 govern this Motion.

3. James R. Carpenter, Jr., Esq. is counsel for the debtor in this case. He is a member of the Bar of this Court, and a registered user of this Court's Case Management / Electronic Case Filing ("CM/ECF") System. Mr. Carpenter is a member of the Virginia State Bar, VSB #68938.

4. Mr. Carpenter regularly represents debtors in his practice before this Court. Between January 1, 2013 and March 20, 2014, Mr. Carpenter filed seventy-one cases on behalf of debtors in this Court, and represented one debtor who initially filed *pro se*.

5. Mr. Carpenter has previously been sanctioned by this Court for his failure to obtain the signature of a debtor prior to filing a document bearing the debtor's electronic signature. *See In re: Wilson*, Case No. 07-70011, Dkt. 89 (Bankr. E.D.Va. January 3, 2008) (Adams, J.) (granting motion of U.S. Trustee for sanctions under Fed. R. Bankr. P. 9011 [Dkt. 83], because of Mr. Carpenter's admitted failure to obtain the signature of debtor husband prior to filing amendment with both debtors' electronic signatures).

6. On July 30, 2014 Mr. Carpenter filed a voluntary petition on behalf of debtor Stephen W. Hoots.

7. During his administration of the *Hoots* case, chapter 13 trustee Michael P. Cotter became concerned with Mr. Carpenter's representation of the debtor.

8. On December 10, 2013, Mr. Cotter filed a Motion under 11 U.S.C. § 329, seeking to examine Mr. Hoots' transactions with Mr. Carpenter. Mr. Cotter also sought and obtained the examinations of Mr. Hoots and Mr. Carpenter under Fed. R. Bankr. P. 2004.

9. On March 17, 2014, Mr. Cotter filed a motion for sanctions against Mr. Carpenter, urging this Court, among other things, to suspend Mr. Carpenter's privilege to practice before this Court for a period of sixty days.

10. On March 24, 2014, this Court entered an Order directing Mr. Carpenter to:

For all bankruptcy cases—both open and closed—filed by Mr. Carpenter in this Court during the period beginning January 1, 2013, and ending March 20, 2014, with the exception of the above-captioned matter,

...

produce to the Office of the United States Trustee, no later than April 21, 2014, copies of all originally executed documents or, if applicable, imaged copies thereof, that he maintains in his records in accordance with CM/ECF Policy 7(A) with respect to any electronically filed documents in cases that bear the electronic signature of a debtor(s). The document production must be organized by case number.

(Order, ¶ 6).

11. The Order further directed the Office of the United States Trustee to file a report “summarizing its findings, conclusions, and recommendations with respect to its review of the documents produced by Mr. Carpenter.” (Order, ¶ 7).

12. The U.S. Trustee filed her Report on May 21, 2014. In it, she details Mr. Carpenter's violations of this Court's Local Rules and CM/ECF Policies, the Virginia Rules of Professional Conduct, and the Federal Rules of Bankruptcy Procedure in seventy-two cases.¹ Rather than restate those facts here, she incorporates the entire Report herein, by reference.

13. As detailed in the Report, Mr. Carpenter has repeatedly filed documents with this Court either without his clients' signatures, or without retaining the original signed versions of the filings as required by the Court's CM/ECF Policies. In many, if not most, cases, the versions Mr. Carpenter retains in his file with original signatures are incomplete and/or do not match the version he filed with the Court.

14. The Report also details statements made by Mr. Carpenter to this Court that were untrue.

15. On June 11, 2014, this Court held a hearing on Mr. Cotter's motion for sanctions against Mr. Carpenter. At that hearing, the Court continued Mr. Cotter's motion for sanctions, and afforded the U.S. Trustee 30 days in which to file a motion for sanctions based on the information disclosed in her Report.

16. At the June 11, 2014 hearing, the U.S. Trustee presented to the Court, with the agreement of Mr. Carpenter, an exhibit binder containing a true and accurate copy of all documents produced by Mr. Carpenter to the U.S. Trustee pursuant to the Court's Order of March 24, 2014, organized by case number. The binder was offered as a supplement to the Report of the U.S. Trustee. The U.S. Trustee also provided this exhibit to Mr. Carpenter at the hearing. The contents of that exhibit are incorporated herein, by reference.

17. Mr. Carpenter's actions in violation of this Court's Local Rules and CM/ECF Policies, the Federal Rules of Bankruptcy Procedure, and the Virginia Rules of Professional

¹ Although the Report was directed to be filed in the *Hoots* case, it details all of the cases filed by Mr. Carpenter from January 1, 2013 to March 20, 2014. For the completeness of the record, the U.S. Trustee has filed this Motion in each of the cases detailed in her report.

Conduct put him in contempt of this Court. Mr. Carpenter should be sanctioned in an amount sufficient to deter repetition of this conduct and other, comparable conduct.

18. Mr. Carpenter's continued privilege to practice as a member of the bar of this Court should be suspended for a period of not less than six months, or, if appropriate, revoked.

19. Mr. Carpenter's privilege to utilize the CM/ECF system of this Court should be suspended for a period of not less than six months, or, if appropriate, revoked.

20. Mr. Carpenter's actions and omissions detailed in the report constitute violations of, among other things, Fed. R. Bankr. P. 9011. Accordingly, the United States Trustee served this Motion on Mr. Carpenter, pursuant to Fed. R. Bankr. P. 7004 by U.S. Mail on June 19, 2014. The U.S. Trustee also provided Mr. Carpenter a copy of the Motion by email on the same date.²

WHEREFORE the U.S. Trustee prays that the Court consolidate these motions for hearing with the motion for sanctions filed by Mr. Cotter in *In re: Hoots*, enter an Order holding James R. Carpenter, Jr. in contempt of this Court, sanctioning him in an amount appropriate to deter further violations of the Local Rules of this Court, and removing or, in the alternative, suspending him from the roll of attorneys admitted to the bar of this Court and those permitted to use the CM/ECF system of this Court for a period of not less than six months or until such time as he has proven to this Court his ability to understand and abide by this Court's Local Rules and CM/ECF Policies, and for such other and further relief as the Court deems appropriate and just.

Respectfully submitted,

JUDY A. ROBBINS
UNITED STATES TRUSTEE
REGION FOUR

² Many of the documents Mr. Carpenter filed in violation of Rule 9011 are petitions, to which the 21-day service requirement of Rule 9011(1)(A) does not apply. This service was made to afford Mr. Carpenter full and complete notice and opportunity to respond to the relief requested, and because the bulk of the documents filed in violation of Rule 9011 are not petitions, but schedules, statements, chapter 13 plans, and other electronic documents required to accurately reflect the paper documents signed by his debtor clients.

By: /s/ Kenneth N. Whitehurst, III

Kenneth N. Whitehurst, III
Trial Attorney

CERTIFICATE OF SERVICE

I certify that on July 11, 2014, service on all attorney Users in the case was accomplished through the Notice of Electronic Filing, pursuant to CM/ECF Policy 9 of the United States Bankruptcy Court for the Eastern District of Virginia, Case Management/Electronic Case Files (CM/ECF) Policy Statement, Version 09/04/09.

/s/ Kenneth N. Whitehurst, III
Kenneth N. Whitehurst, III

CERTIFICATE OF COMPLIANCE WITH FED. R. BANKR. P. 9011

I certify that on June 19, 2014, service of this Motion and the Report was made on respondent James R. Carpenter, Jr. by U.S. Mail, postage prepaid, addressed as follows:

James Robert Carpenter, Jr.
Law Office of James R. Carpenter Jr.
One Columbus Center
Suite 600
Virginia Beach, VA 23462

and by email, to carpenterlawcourt@gmail.com.

/s/ Kenneth N. Whitehurst, III
Kenneth N. Whitehurst, III